

January 22, 2015

Transportation & Infrastructure Committee

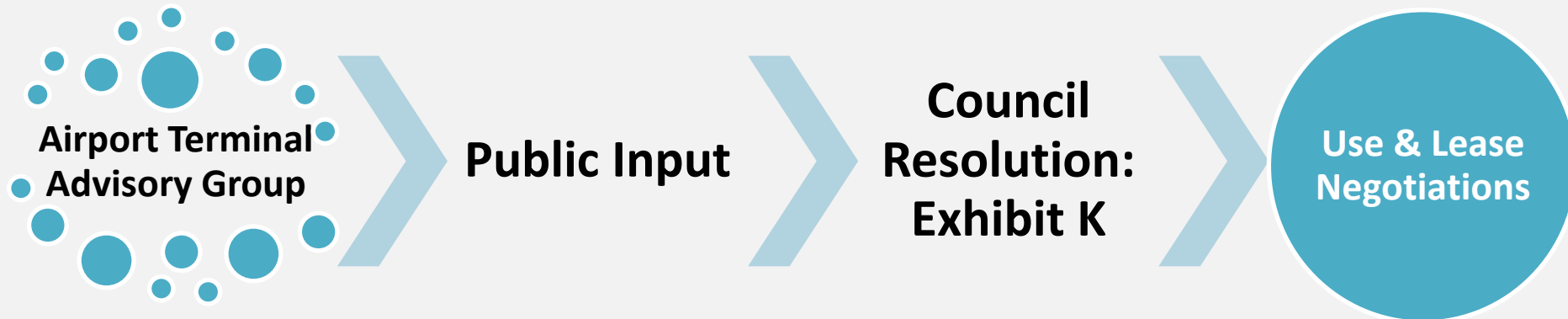
KCI Development Program Process Update



Presented by:

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- Steve Sisneros *Director of Airport Affairs, Southwest Airlines Co.*

History & Introduction



Agenda



- Update: KCI Development Program Process
 - Program Goals
 - Exhibit K: The Planning Process
 - Milestones Achieved
 - Forecast Process
 - Project Funding
 - Exhibit K Process Update & Review
- Questions

Program Goals



Exhibit K: Planning Process



Progress to Date

Meetings & Workshops

- 10 Leadership Committee Meetings
- 5 Airline-Airport Workshops

Technical Consultants

- AvAirPros
- LeighFisher
- Landrum & Brown, and other technical experts

Traffic Forecast

- Data-Driven
- Traffic Increases Consistent with Industry Metrics

Finance

- Financial Modeling
- Bond Credit Rating Upgrade

Facilities

- Airline & Airport Input: facility requirements & operations

Forecast Process

Airline input

Confidential interviews conducted in-person. Conference calls and written correspondence with airlines.

City-pairs

Analyzed city-pair markets based on airline input on service to existing and new destinations to prepare forecasted schedules

Operations

Derived Avg. Day Peak Month (ADPM) passenger airline aircraft operations based on forecasted schedules and aircraft fleets

Passengers

Derived Avg. Day Peak Month (ADPM) passengers based on forecasted schedules and load factors

Annual Demand

Derived annual passenger airline activity in 2025 and 2030 based on forecasted schedules

Airport Funding



KCI Improvements are Funded by Airlines & Travelers

- City tax revenues do not, and will not, pay for airport operations, maintenance & capital projects.

Airport Fees & Charges Stay at KCI

- Federal law prohibits diverting airport fees & charges for other City purposes.

Airport Revenue Bonds

- Bonds are secured based only on airport fees & charges, passenger facility charges & federal grants—not by taxpayers.

**If you don't use the airport, you don't
pay for the airport!**

Exhibit K Process Summary



- Doing nothing is not an option.
- Customer service, convenience & affordability are top priorities.
- Requires Airport & Airline collaboration in evaluating airport and airline data.
- Evaluates major renovation & new terminal alternatives.
- Complete on or before May 1, 2016.

Questions?

